

JAN 1983

MEMORANDUM FOR: Deputy Director for Administration

FROM: Daniel C. King
Director of Logistics

SUBJECT: Unfunded Requirement


1. The original schedule for design of the proposed new building on the Headquarters compound assumed an October 1982 contract award. Contract negotiations were delayed by, first, the Foreign Ownership, Control, and Influence issue and, secondly, the FY-83 Continuing Resolution. The impact of this delay has been a compression of the design schedule and elimination of all but two weeks of schedule slack. Having completed negotiations for design of the proposed new building on the Headquarters compound, it is now apparent that increased FY-83 funding will be necessary to guarantee an FY-84 construction start.

2. Available funding is sufficient to complete the schematic and preliminary design phases this year. However, the preparation of construction documents and specifications cannot begin until FY-84. The Contractor, who is now witting of our funding and scheduling constraints, has agreed to an accelerated construction document phase. But the accelerated schedule still results in delivery of the bid package in June 1984. The normal General Services Administration award and bid period is 90 days, meaning earliest award of a construction contract would be mid-September 1984. Obviously any minor delay would result in slippage to FY-85.

3. In order to assure an FY-84 construction start, \$1,500,000 in FY-83 funds should be made available no later than March 1983. The contractor has agreed to accelerate the preliminary design phase and start construction documents in FY-83 if the additional funding is made available. This course of action would provide good confidence in our ability to initiate a construction contract in August 1984 without increasing the negotiated design cost.

4. Additional FY-83 funding in the amount of \$1,500,000 is requested for this purpose.

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